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Institute of Agriculture and Natural Resources

University of Nebraska-Lincoln

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The Nebraska Forest Service publishes **Timber Talk** four times annually (March 1, June 1, September 1, and December 1) to serve the forest industry of Nebraska. All questions and correspondence concerning **Timber Talk** should be directed to: Adam Smith, **Timber Talk** Editor, Nebraska Forest Service, University of Nebraska, 203G Forestry Hall, P.O. Box 830815, Lincoln, NE 68583-0815

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Lumber Market Reports

Northern

According to the National Oceanic and Atmospheric Administration's projections, precipitation in the month of May will be lower than normal for the Lake States region and normal for the rest of the North. In other words, mills that want logs should have the opportunity to get them. Weak tie markets have kept some mills out of the hunt for timber and gate logs. Low order files for industrial products are prohibiting steady production. Yet, most sawmill operators are funding full shifts. Some companies are struggling to find outlets for total lumber output, but most are managing sawing schedules to meet exacting receipt schedules. Timing whitewoods processing with green lumber buyers' receiving schedules is increasingly important as warmer weather conditions prevail. Activity for kiln-dried lumber is not as time sensitive; sales operations do not have the same pressure to immediately find outlets for developing supplies. Information shows, in general, demand is strongest for the common grades. Part of that strength is derived from record high exports to Southeast Asia. That region has not been a significant outlet for whitewoods. Northern producers in areas with high concentrations of Maple rely on domestic business, which has shown some improvement the past several weeks.

Southern

It is not new information that tie, pallet and framestock markets are weak. What is new is the severity of softening demand. For ties, there are instances of suppliers receiving only a few orders, or worse, no orders at all. Sawmill operators that focus on ties have either dramatically reduced production, shuttered production altogether, or are processing more boards instead of ties. The latter alternative has added more low grade lumber to a saturated supply pipeline. Framestock inventories continue to climb while the market is either static or contracting; the supply imbalance is causing prices for Oak and Mixed species framestock to slide. Additionally, prices for 4/4 #2A and #3A Beech, 4/4 #2B and BTR Mixed Woods, all published thicknesses of #2B Cottonwood, Sap Gum, WHND Soft Maple, and Pecan/Hickory, as well as 4/4 through 8/4 #2A Hackberry, are lowered.

Appalachian

While export markets for kiln-dried #1C, #2A and #3A Red and White Oak remain vibrant, the same cannot be said of demand for Green Oak from US residential flooring factories. Plants have controlled purchases to avoid inventory overruns; some have reduced purchased volumes over the last few months; and now more are lowering prices. For the first time in recent memory, the list prices for Green 4/4 #2A and #3A Red and White Oak warrant reductions and are lowered this week. Sawmills in the region continue to process whitewoods ahead of less stain prone species as log inventories dictate. Markets are absorbing increases in common grade Hard and Soft Maple supplies with little, if any, impact on prices, but upper grade prices for these species are still soft. The common grades of Ash and Walnut continue to move very well. Most Poplar items are in steady demand, and market interest in Cherry is improving.

(Source: Condensed from *Hardwood Market Report*, May 5, 2017. For more information or to subscribe to *Hardwood Market Report*, call (901) 767-9216, email: hmr@hmr.com, website: www.hmr.com)

Hardwood Lumber Prices - Green												
Species	FAS				#1C				#2A			
	5/17	2/17	11/16	8/16	5/17	2/17	11/16	8/16	5/17	2/17	11/16	8/16
Ash	1000	945	905	925	650	590	540	540	340	325	325	350
Basswood	815	830	860	860	485	485	510	520	260	260	270	300
Cottonwood	780	780	780	780	560	560	560	560	260	260	260	260
Cherry	1125	1055	1055	1055	700	690	690	700	385	385	385	385
Elm	650	650	650	650	420	420	420	420	300	300	300	300
Hackberry	530	530	530	530	480	480	480	480	295	305	305	305
Hickory	820	820	820	820	525	525	525	525	385	385	385	405
Soft Maple	1265	1305	1350	1395	795	795	855	890	470	470	485	510
Red Oak	1095	1160	1140	1120	785	755	730	700	500	500	500	490
White Oak	1630	1655	1630	1505	875	860	820	750	505	505	505	490
Walnut	2515	2515	2515	2515	1325	1300	1270	1270	750	715	715	715

Note: Lumber prices quoted in \$/MBF, average market prices FOB mill, truckload and greater quantities, 4/4, rough, green, random widths and lengths graded in accordance with NHLA rules. Prices for ash, basswood, northern soft grey elm, unselected soft maple, red oak and white oak from Northern Hardwoods list. Prices for cottonwood and hackberry from Southern Hardwoods list. Prices for cherry, hickory and walnut (steam treated) from Appalachian Hardwoods list. (Source: *Hardwood Market Report (HMR)*, above prices are from the 1st issue of the indicated month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

Hardwood Lumber Prices - Kiln Dried												
Species	FAS				#1C				#2A			
	5/17	2/17	11/16	8/16	5/17	2/17	11/16	8/16	5/17	2/17	11/16	8/16
Ash	1470	1420	1420	1445	1040	980	925	945	700	645	630	665
Basswood	1200	1200	1215	1215	760	760	760	760	485	485	495	510
Cottonwood	1005	980	980	980	750	730	730	730	----	----	----	----
Cherry	1740	1715	1740	1770	1150	1150	1140	1140	700	680	700	710
Elm	----	----	----	----	----	----	----	----	----	----	----	----
Hackberry	----	----	----	----	----	----	----	----	----	----	----	----
Hickory	1470	1470	1490	1530	1020	1030	1060	1075	800	800	810	810
Soft Maple	1755	1755	1805	1855	1185	1185	1185	1220	785	800	800	800
Red Oak	1610	1610	1610	1605	1280	1220	1120	1100	930	845	845	815
White Oak	2275	2300	2300	2220	1520	1475	1395	1295	1015	1000	970	910
Walnut	4070	4070	4070	4070	2250	2175	2100	2100	1470	1400	1360	1360

Note: Kiln dried prices in \$/MBF, FOB mill, is an estimate of predominant prices for 4/4 lumber measured after kiln drying. Prices for cottonwood and hackberry from Southern Hardwoods list. Prices for ash, basswood, northern soft grey elm, unselected soft maple, red oak, and white oak from Northern Hardwood list. Prices for cherry, hickory and walnut (steam treated) from Appalachian Hardwoods list. (Source: *Hardwood Market Report (HMR)*, above prices are from the 1st issue of the indicated month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

Pallet Lumber - Green				
Dimension	5/17	2/17	11/16	8/16
4/4 x RW	245	255	255	265
5/4 x RW	290	290	290	300
6/4 x RW	315	315	315	325
4/4 x SW	330	330	340	360
5/4 x SW	365	365	365	395
6/4 x SW	380	380	380	410

Ties (7x9) - Green				
Region	5/17	2/17	11/16	8/16
<i>Crossties</i>	----	----	----	----
Northern - 8.5'	24.5-27	25-27.25	25.5-27.25	25.5-28
Appalachian (South) - 8.5'	24-28.25	24.5-29	25.5-30	25.5-30.5
Appalachian (North) - 8.5'	24-28	24.5-28.75	25.5-29	25.5-29.5
Southern (West) - 9'	24-30	26.5-32	27-33.5	27-33.5
Southern (East) - 8.5'	23-29.25	26-30.5	26.5-32	27-32

Note: Pallet lumber prices quoted in \$/MBF, average market prices FOB mill, truckload and greater quantities, rough, green, random widths and lengths graded in accordance with NHLA rules. Tie prices quoted in \$/piece, average market prices FOB mill. Prices for pallet lumber from Northern Hardwood list. Prices for ties from the respective regional lists. (Source: *Hardwood Market Report (HMR)*, above prices are from the 1st issue of the indicated month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

Letter from the Editor: Nebraska Forest Products Association

Can Nebraska's beef industry be a model for the forest products industry?

On May 12, it was announced that the US had reached an agreement with China to restore the Chinese market for US exported beef. The Nebraska Cattlemen Association President Troy Stowater told The Grand Island Independent, "Nebraska's beef producers have been waiting for this moment for 13 years." As Nebraska is the US leader in beef exports, this new \$2.6 billion market will undoubtedly benefit the individual operations that make up Nebraska's beef industry, and the state as a whole.

Heavily involved in this process was the Nebraska Cattlemen Association (NC), this non-profit group "provides services that allow members to achieve personal and business goals that are beneficial to the beef industry and consumers in Nebraska, across the US and internationally." The NC worked alongside the National Cattlemen's Beef Association and the Nebraska Department of Agriculture to host Chinese officials on tours of Nebraska facilities, as well as advocate for Nebraska beef growers throughout discussions.

As I was reading the various articles about this effort, I kept coming back to the same thought: "Who advocates for Nebraska's forestry and forest products industry?" Let's be clear, there is no comparing the beef industry to the forest industry when it comes to the economic impacts to Nebraska, nevertheless, Nebraska's forest industry deserves and would benefit from advocacy when it comes to economic topics such as transportation regulations, worker's compensation costs, state and national pest quarantines, and development of markets for forest products.



Regionally, there are several examples of advocacy groups impacting the forest products businesses in their states. I had the pleasure of attending the 2016 Annual Summer Meeting of the Missouri Forest Products Association (MFPA). The MFPA serves and promotes the state's forest products industry through representation in governmental and public affairs, conducting educational events and addressing forest health issues. At the meeting, I was able to sit in on discussions covering various topics such as a special use license plate allowing wood products truckers an exemption from highway weight limits, industry and the development of educational programming for the industry. The MFPA is a well-run organization with significant impacts for their 300+ members.

While Missouri's forest products industry is much larger than Nebraska's, another regional advocacy group may appear a bit more closely related to the situation in Nebraska; the Black Hills Forest Resource Association (BHFRA). The BHFRA is a non-profit trade association of forest products manufacturers, forestry and timber harvest professionals, and concerned citizens in the Black Hills. The BHFRA and its members are involved in the development of policy, continuing educational opportunities, and collaborations with agencies related to the management of public lands. Of significant importance was the BHFRA involvement in the recent inclusion of wood products as an agricultural community, providing an exemption for transportation weight restrictions.



(Continued on page 5)

American Wood Fibers

Yes Virginia, there is pine in Nebraska...And it has value!

It is typical for someone new to Nebraska forestry to ask, “Where are the trees?” The short answer is to look past the vast crop lands that sweep from east to west, and notice the river drainages, canyons, sand hills, and ridges. There, you will find a vibrant forest resource; including Ponderosa Pine. For American Wood Fibers the challenge has been, not the bountiful supply of Redcedar, Cottonwood and Pine, but how to harvest the fiber and bring it to market – especially for Pine.

American Wood Fibers started with a small Redcedar shaving operation almost 20 years ago, now their Clark’s operation uses over 20,000 tons annually of low-value, biomass quality logs. The ability to consistently purchase this much fiber over the years, in large part, has been made possible by the dedication of logging crews willing to take on the business risks of buying expensive equipment and operating safe and efficient crews.

In the last two years, Pine has been added to the menu at Clark’s with good success. With the assistance of the Nebraska Forest Service staff and foresters, the focus quickly moved to the Pine Ridge area in the northwest. The resource is impressive but the logistical challenges seemed huge with a 400-mile one-way haul to Clark’s. However, through the use of mechanized crews and reliable trucking, loggers in both the northwest and north-central regions of Nebraska are able to produce and sell significant volumes of Pine logs.



American Wood Fiber’s partnership with Nebraska forest communities has been rewarding. The addition of Pine fiber as a new product line has helped make that possible. Clark’s purchases Pine logs in 8-foot lengths (92 - 100 inches) with a minimum small end diameter of 4-inches and maximum log diameter of 30-inches.

For more information, feel free to contact Gerald Beatty at 800-662-5459 or Todd Bollig at 308-946-2210.

This article was provided by Miles VanSike, a procurement forester with American Wood Fibers residing in Virginia and a former frequent visitor to Nebraska’s forests.

Pine Ridge Sawmill Ready to Come Back to Life

Doescher Mill looking to rent/lease complete sawmill operation

Seven miles east of Chadron, just off Highway 20, sits an opportunity ready to make some lumber, and some money! The Doescher sawmill most recently operated in the year 2000. Still in place are an Evans Scragg Mill and cut-off saw, a Wood-Mizer double head band re-saw, a power green chain in-feeds, and rolling stock to move logs and lumber. After an electrical review, this mill will be ready and able to produce significant volumes of pallet lumber and cants in northwest Nebraska.

The Pine Ridge in northwest Nebraska offers an excellent resource for a mill of this size. With active forest management, fuels reduction and logging, securing log resources should not be an issue. The Nebraska Forest Service is completing a full-forest inventory and review of current levels of harvest in the Pine Ridge, Niobrara Valley and Wildcat Hills. Once complete later this summer, the inventory data report and information regarding potential log volumes and harvest availability will be publicly available and may aid in decision making and understanding of how much timber could be available for mills such as the Doescher Mill.

Scott Doescher is working to identify a person or group of people interested in leasing or renting the entire sawmill operation to produce pine pallet stock. Doescher, who is very familiar with the Pine Ridge and its forest industry, is available to assist with marketing the lumber and has experience working with lumber brokers and market development, as he currently owns and operates a similar sawmill in West Point, Nebraska.

If you are interested in learning more about this business opportunity, please contact Scott Doescher at 402-380-2887.

Letter from the Editor (continued)

Nebraska's forests are full of opportunity. Nebraska's industry is active and entrepreneurial. However, it can be difficult to develop the connection between the wood resource and the businesses who would manufacture wood products. The development of an industry advocacy group, such as the "Nebraska Forest Products Association," would be the industry driver for removing barriers to success. While the Nebraska Forest Service does advocate for the benefits of the forest industry, forest management and forest products businesses, being a state agency, the Nebraska Forest Service cannot legally lead efforts to change policy or regulations. However, we would be available to assist with the development of an industry association.

Nebraska's forest products industry faces significant challenges across the state...

- Worker's compensation rates at 32%
- Wood products transportation weight restrictions
- Lack of an available, qualified workforce
- Lack of advocacy and awareness of the forest products industry

These issues have been addressed in other areas of the country through a united industry approach. The coordinated voices of several businesses within a single industry can really turn heads and drive impactful changes.

Are you a Nebraska logger, sawmill operator, wood products business owner, trucker, pellet manufacturer or a landowner concerned with the ability to sell your timber into the future? If so, what are your thoughts on the subject of an industry association? I'd like to hear from you and gain some more insight. Please feel free to pass along any questions, comments, concerns, or criticisms to me at asmith11@unl.edu, or 402-472-1276 or at 102 Forestry Hall, Lincoln, NE 68583-0815.

WORKSHOP ANNOUNCEMENT

Portable Sawmill Operations and Lumber Drying

June 28-29, 2017

**Northeast Community College – Agricultural Complex
Norfolk, Nebraska**

There has been a steady increase in interest and use of portable sawmills. Businesses, private individuals and arborists are becoming more involved in the utilization of Nebraska's wood resources. As a result, the Nebraska Forest Service is hosting a sawmill and lumber drying workshop towards the end of June.

This two-day event will cover a number of topics and should offer new information for both the beginner sawmill operator and the long-time user. The workshop will be broken into two one-day sessions, each day consisting of both indoor and outdoor learning opportunities.

Day 1 will focus on sawmilling information:

- Review of Nebraska lumber markets
- Wood science and characteristics
- Identifying defects in logs
- Sawmill setup, maintenance and operations
- Sawing technique
- Sawing demonstrations

Day 2 will focus on lumber drying concepts:

- Wood and water relationships
- Air drying
- Kiln drying
- Lumber stacking
- Reducing defects in lumber
- Lumber grading basics

Attendee will be able to register for workshop days individually (\$30 for individual days) or both days (\$50 for both days). Workshop materials (including a paperback copy of "Manufacturing and Marketing of Eastern Hardwood Lumber Produced by Thin Kerf Band Mills" by Daniel L Cassens for those registering for both days), breaks and lunches will be included with registration costs. Due to the size of the event space, and to allow for more hands-on learning, the number of attendees will be limited to the first 25 people to register.

CEUs will be made available from ISA, NAA and SAF.

TO REGISTER, PLEASE GO TO NFS.UNL.EDU/WORKSHOPS

For questions and more information, please contact Adam Smith at asmith11@unl.edu or at 402-472-1276.

Nebraska Forest Service Awarded Biochar Grant

The Nebraska Forest Service, in partnership with the Kansas Forest Service, has been awarded a Wood Innovation Grant by the US Forest Service to expand the production and use of biochar in the Great Plains. Nebraska is one of 19 states to receive the award that focuses on the reduction of hazardous fuels from national forest lands along with other forested land at risk of wildfire. Investing in the forest products industry in Nebraska and beyond will incentivize sustainable forest management, promote healthy ecosystems, and sustain rural communities by creating and retaining jobs.

The Great Plains Biochar Initiative will explore markets for biochar ranging from traditional soil amendments to innovative uses such as manure management and animal feed. The Great Plains Biochar Initiative will host several workshops for those interested in learning to make biochar, as well as off grants for individuals and/or organizations interested in utilizing biochar. Projects developed through the initiative will serve as teaching tools and highlight sectors with the most compelling applications for biochar.

To learn more about biochar or for more information about this initiative, please contact Heather Nobert at hnobert2@unl.edu or at 402-782-1453.

Nebraska Forest Industry Spotlight

Lifestyle Kitchens

Located on the south side of Hastings, Nebraska, *Lifestyle Kitchens* has been in the construction and commercial casework for 17 years. Purchased in 2000 from Bill Welton of Welton Woodworks, owners Gary Bauer and David Bialas have been building custom and commercial cabinets over the years for customers in the Hastings area. Bauer indicates that though most of their trade area is within a 100-mile radius of Hastings, they have had projects as far away as Des Moines, Iowa.

For more information contact Lifestyle Kitchens at lifestyle@windstream.net or at 402-463-4309.

312 West J Street, Hastings, NE 68901

With many styles of cabinets available on the market, Bauer points out, “we build our cabinets that fit the décor and creative designs of our customers, both homes and businesses. Through the use of our table saws, sliding panel saw, and CNC router, our employees are able to cut, build, fabricate, and install the style of cabinets to suit the needs of the customer.” Their custom-made cabinets are utilized in kitchens, bathrooms, entertainment centers, fireplace surrounds, and bar areas.

“We have even build a few fireplace mantels and vanities when needed,” Bauer added.

Besides custom-made cabinets, *Lifestyle Kitchens* are also associated with all major brands of cabinets.

Quality lumber to build cabinets is purchased from suppliers in Omaha, Nebraska and Kansas City, Missouri. Wood species most often used for building include Birch, Cherry, Hickory, Maple, Oak, and some Walnut.

“We have even used Beech wood for construction in the past,” Bauer said. “Our staff works hard in meeting the desires and needs of our consumers while staying within their budget.”

Forest Products Specialists Tour Nebraska Facilities

During the last week of May, forest products specialists from around the country gathered in Nebraska City to share new ideas, provide regional updates, and develop partnerships for future projects. Representatives from Colorado, Kansas, Nebraska, New Mexico, Oregon, South Dakota, Wisconsin, and the US Forest Service also had the opportunity to visit a few of Nebraska’s forest products manufacturers. Coordinated by th NFS, the tour included stops at Horizon Biofuels in Fremont and Big Red Sawmill in Palmyra, in addition to a stop at the University to meet with the staff and students involved in South Sioux City’s cross-laminated timber and urban Ash building project.



A common sentiment from our hosts at the tour stops was that some of the tour attendees were from large forest products states, so why would they want to tour Nebraska facilities? First, wood products folks will always take advantage of the opportunity to visit a wood products business. Second, while the representatives may have larger operations in their home state, they are very interested in how businesses operate in Nebraska. Small/medium sized pellet manufacturing could be a viable option for other parts of the country with the well-developed markets that Horizon Biofuels services. Small hardwood sawmills specializing in kiln-dried lumber and live edge slabs, as is the case at Big Red Sawmill, have real potential in regions with a population base and a viable wood resource.

While Nebraska businesses may not have the same throughout as larger mills or utilize as much wood, they still achieve the goal of wood products businesses elsewhere; provide jobs and opportunities and put the local wood resource to good and profitable use. Nebraska forest product businesses should be proud of the economic impact that they have, especially in rural areas, and the beneficial impacts they have on the forest resource!

Timber Sales

The following listings are for stands of timber or logs being offered for sale by owners or persons of delegated authority. Timber was cruised and/or marked for harvest by the Nebraska Forest Service or other professional foresters. Volumes in board feet (Doyle scale unless otherwise indicated) are estimates by the forester. If no volume is listed, the trees or logs were not marked by a forester and the listing is included only as a marketing service to the owner. Listings are prepared according to the information at the time of publication.

Sale Name	Available Timber	Forester/Date	Contact
Gray	Black Walnut, 16 Trees Veneer 2 - 199 BF Lumber 1 - 1,034 BF Lumber 2 - 1,357 BF Lumber 3 - 926 BF TOTAL - 3,516 BF	9/2016 Karloff	Karen Gray 1704 E. Sycamore Ave. Norfolk, NE 68701 Ph: 402-640-7635 Location: Douglas County
Thonen	Black Walnut, 12 Trees Veneer 2 - 203 BF Veneer 3 - 274 BF Lumber 1 - 744 BF Lumber 2 - 878 BF Lumber 3 - 705 BF TOTAL - 2,804 BF Bur Oak, 59 Trees 13,880 BF Hackberry, 12 Trees 2,000 BF Green Ash, 9 Trees 1,140 BF Elm, 6 Trees 1,650 BF	5/2017 Karloff	Rod Thonen 2241 336 th Road Staplehurst, NE 68439 Ph: 402-535-2611 Location: Seward County
Honey Creek	Black Walnut, 34 Trees Veneer 3 - 1,497 BF Lumber 1 - 2,421 BF Lumber 2 - 1,307 BF Lumber 3 - 1,997 BF TOTAL - 7,222 BF	5/2017 Rasmussen	Ron Hartnett PO Box 116 Dakota City, NE 68731 Ph: 402-301-4993 jameshartnett@cableone.net Location: Dakota County